

# **LOUISIANA RECOVERY AUTHORITY**

## **Resolution for CDBG Funding FEMA Match for State Buildings**

**January 12, 2006**

**Overview:** Recommendation for \$150 million of immediate funding available to match FEMA funding for the repair and reconstruction of damaged or destroyed state buildings.

### **EXECUTIVE SUMMARY**

State owned buildings suffered approximately \$1.75 billion of damage as a result of Hurricanes Katrina and Rita, \$1.71 billion from Hurricane Katrina and \$43 million from Hurricane Rita. Funding for repairs through the Federal Emergency Management Agency Public Assistance program will require a state match. Insurance funds carried by the state, which are available separately for each disaster, amount to \$500 million, of which \$200 million is for business interruption purposes. Thus, the unmet need for building repair costs from Hurricane Katrina stands at roughly \$1.5 billion. Hurricane damage repairs from Hurricane Rita will be funded from the state's insurance proceeds.

The state Office of Facility Planning and Control is developing a prioritization system with which to rank state buildings repair projects. In addition, state agencies have been asked to develop criteria and policies that inform a master plan for their agencies' buildings. As well, the Task Forces of the Louisiana Recovery Authority are examining best practices for a 21<sup>st</sup> Century delivery system for government services (such as health care, education, workforce training, etc), which will also inform the redevelopment plan for infrastructure.

Given the budget constraints facing state government, an initial allocation of Community Development Block Grants should be made to cover the match requirements for the highest priority state buildings projects.

Further, the following was previously endorsed regarding state buildings at the October 26<sup>th</sup> meeting of the LRA:

**"I. State Ownership of State Buildings Policy Statement:** In order to effectively and efficiently conduct the restoration of state buildings, a comprehensive plan must be completed within the context of other planning efforts undertaken by the state. It is the policy of the state to centralize the recovery efforts of state buildings at the state level through the offices of Facility Planning and Control and the Office of Risk Management to provide a consistent, coordinated approach to rebuilding Louisiana.

To that end, the following priorities should be considered:

- All state buildings should be stabilized to prevent further damage from occurring.
- Before buildings are identified for full restoration, an estimate of the cost of restoration must be made on each facility.

- Decisions for the selection of buildings for restoration should consider the damage relative to the value of the building as well as population return estimates in the service area of the building.

**II. Unified workforce training infrastructure. Policy Statement:** In the rebuilding or re-establishment of Louisiana Community and Technical College System and Louisiana Department of Labor One-Stop facilities, it shall be the policy of the Louisiana Recovery Authority to establish and enhance service integration connectivity and the co-location of One-Stop Centers with the state's community and technical colleges. All mandated Workforce Investment programs and those, such as Temporary Assistance for Needy Families (TANF), designated by the state shall be included. One-Stops should also serve as Business Centers for job seekers.

**III. Family services assistance infrastructure. Policy Statement:**

The three priorities that should guide the family services infrastructure emphasize a hybrid approach of service delivery; community-based, maximizing technology for mobile operations and co-location of similar services.

1. The presence of family services should be integrated into the community, via satellite offices in educational institutions, hospitals and community centers for example.
2. There will be a need for some traditional brick and mortar buildings, however, these should be multi-disciplinary with similar and complementary services co-located in an easily accessible location via public transit.
3. Maximizing the latest technology is essential for mobile, flexible and responsive operations. Community-based locations should be outfitted with generic private work stations fully functional with wireless capacity and some generic meeting space available.

Reconstruction shall support the seamless delivery of Louisiana's human services in ways that produce the best results through the most efficient business processes and lead to improved and permanent outcomes relative to our citizens' ability to be safe, healthy, independent and productive. The deliverer of services should be transparent. While expertise and program integrity among each state service will continue to be valued, the needs of our citizens must be the priority. The value of actual or virtual co-location of state human service providers and the location of state building shall be considered in reconstruction planning."

The recommended amount of CDBG funding is anticipated to provide sufficient funding for roughly \$1.5 billion of state buildings construction projects.

## **RECOMMENDATION**

It is recommended that the following resolution be adopted:

***NOW, THEREFORE, BE IT RESOLVED,** that the Louisiana Recovery Authority does hereby recommend that \$140.76 million of the Supplemental Community Development Block Grant Dollars be allocated for the purpose of cost match for FEMA Public Assistance funding for repair of the most critical state buildings according to the prioritization of the Office of Facility Planning*

*and Control.*

***BE IT FURTHER RESOLVED***, that the prioritization program for state buildings be presented to the Louisiana Recovery Authority for their consideration at the appropriate time.

***BE IT FURTHER RESOLVED***, that the projects approved be in accordance with the best practices for the delivery of services as recommended by the LRA and its Task Forces, the consideration of community input and planning, and in accordance with the previously LRA-approved state buildings criteria.

***BE IT FURTHER RESOLVED***, that any partial action plan for Supplemental Community Development Block Grant dollars be approved by the Joint Legislative Committee on the Budget prior to submission to the Secretary of Housing and Urban Development.

***BE IT FURTHER RESOLVED***, that the programs approved using Supplemental Community Development Block Grant funding provided through a state agency should be subject to the oversight of the appropriate legislative committee for such agency and activity.